
Finance Committee

HB 1919

Brief Description: Allowing certain county legislative authorities to impose a sales and use tax by ordinance.

Sponsors: Representatives Fitzgibbon, Moscoso, Springer, Pollet, Goodman, Sullivan, Maxwell and Upthegrove.

<p style="text-align: center;">Brief Summary of Bill</p> <ul style="list-style-type: none">• Allows a county with a population of one million five-hundred thousand or more to impose the public safety sales and use tax without voter-approval.
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Hearing Date:

Staff: Dominique Meyers (786-7150).

Background:

A county public safety sales and use tax was authorized in 2003. Subject to voter approval, counties may impose a tax of up to 0.3 percent. At least one-third of the tax receipts must be devoted to criminal justice purposes, fire protection purposes, or both. A levying county retains 60 percent of the receipts and the remaining 40 percent is distributed to cities within the county on a per capita basis. The use of tax receipts must be stated in the ballot proposition that goes before the voters. The sales and use tax has been implemented in ten counties: Cowlitz, Franklin, Mason, Okanogan, Jefferson, Kittitas, Walla Walla, Spokane, Whatcom, and Yakima.

Cities are also authorized to seek voter approval to impose the public safety sales and use tax at a rate not to exceed 0.1 percent. If a county imposes the public safety sales and use tax prior to a city within the county, the city tax rate may not exceed an amount that would cause the total tax rate for the county and city to exceed 0.3 percent. If a city imposes the tax prior to the county in which the city is located, the county must provide a credit against its tax for the city tax. Fifteen percent of the tax proceeds received by a city imposing the public safety sales and use tax must be distributed to the county. Fifteen cities are currently imposing the tax.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

Summary of Bill:

A county with a population of one million five-hundred thousand or more may impose the public safety sales and use tax without voter-approval.

Appropriation: None.

Fiscal Note: Requested on February 25, 2013.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.